

## UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 10

1200 Sixth Avenue, Suite 155, 14-D12 Seattle, WA 98101-3144

REGIONAL ADMINISTRATOR'S DIVISION

## **MEMORANDUM**

**SUBJECT:** USPS Next Generation Delivery Vehicle Acquisitions

**FROM:** Susan Sturges and Karl Pepple (R10)

**THRU:** Rebecca Chu, Chief

Policy and Environmental Review Branch

**TO:** Marthea Rountree

OFA, NEPA Compliance Division

R10 reviewed the USPS NOI to Prepare a Supplement to the Next Generation Delivery Vehicle Acquisitions (NGDV) Final Environmental Impact Statement. R10 recommends the following for inclusion in EPA's letter to USPS:

- A recommendation that the NEPA analysis consider maximizing the percentage of battery electric vehicle acquisitions. Where it's determined battery electric vehicles are not feasible, replacing the remainder of the fleet with the most fuel-efficient vehicles possible for mail delivery (e.g., plug-in hybrid vehicles or hybrid fuel-efficient vehicles). The NOI limits powertrain considerations to internal combustion engine and battery electric vehicles only. The February 2022 NGDV Record of Decision (ROD) indicated that five July 2020 offerors provided NGDV production proposals and pricing for internal combustion engine vehicles and battery electric vehicles, without the inclusion of a hybrid production vehicle. Proposals lacking a hybrid production vehicle should not preclude the consideration of hybrid fuel-efficient vehicles under NEPA. Plug-in hybrid vehicles and hybrid fuel-efficient vehicles are more environmentally protective feasible options over internal combustion vehicles and would further decrease vehicle emissions. EPA recommends USPS consider plug-in hybrid vehicles and hybrid fuel-efficient vehicles over internal combustion engines for NGDV and commercial off-the-shelf vehicles.
- A recommendation to use the most up-to-date fuel prices and forecasts when assessing costs of internal combustion engine vehicles, plug-in hybrid vehicles, and other hybrid vehicles. The February 2022 NGDV ROD and Final EIS used October 2020 as a baseline for the national average for the cost of gasoline at \$2.19 per gallon with a forecast of \$2.55 per gallon in the year 2040. The current (June 2022) cost of gasoline in the U.S. is more than double that October 2020 baseline, averaging at \$4.87 per gallon. The U.S. Energy Information Administration has also recently published their Annual Energy Outlook for 2022.

https://www.eia.gov/dnav/pet/PET PRI GND A EPMR PTE DPGAL W.htm.

<sup>&</sup>lt;sup>1</sup> ROD, pg. 1-3.

<sup>&</sup>lt;sup>2</sup> ROD, pgs. B-158 – B-160.

<sup>&</sup>lt;sup>3</sup> EIA, Weekly Retail Gasoline and Diesel Prices,

<sup>&</sup>lt;sup>4</sup> EIA, Annual Energy Outlook 2022, published March 3, 2022, https://www.eia.gov/outlooks/aeo/.

- A recommendation to consider communities with environmental justice characteristics that are already burdened with high levels of traffic-related pollutants or compromised air quality as areas for priority placement of battery electric vehicles. Ultimately, the goal should be to minimize emissions or exposure to emissions, particularly where emissions or related impacts are high. As examples, if the bulk of the delivery route in a neighborhood is walking house to house, then a battery electric vehicle may not be a priority. If the vehicle is in constant use, USPS should prioritize battery electric powertrains. Routes with frequent stops are appropriate areas to maximize use of regenerative braking to recharge the battery. If battery electric vehicles are not considered feasible in some locations, plug-in hybrid and hybrid fuel efficient vehicles can also take advantage of regenerative braking with frequent stops and would be advantageous over internal combustion engines by further reducing vehicle emissions.
- A recommendation to consider summarizing how the Bipartisan Infrastructure Law (also known as the Infrastructure Investment and Jobs Act) has facilitated making battery electric vehicles more publicly and commercially accessible by expanding availability of charging infrastructure through multiple new programs and funding opportunities.<sup>5</sup> These supporting policies and funding would allow states to extend connectivity of their urban and rural areas by building out a national electric vehicle charging network. A new Joint Office of Energy and Transportation was established to provide guidance and resources to support the deployment of zero-emission, convenient, accessible, and equitable transportation infrastructure.<sup>6</sup> Its initial focus will be building a convenient, reliable public charging network to build public confidence, with a focus on filling gaps in rural, disadvantaged, and hard-to-reach locations.<sup>7</sup>

<sup>5</sup> https://www.fhwa.dot.gov/bipartisan-infrastructure-law/evs.cfm.

<sup>&</sup>lt;sup>6</sup> https://driveelectric.gov/.

<sup>&</sup>lt;sup>7</sup> Fact Sheet: The Biden-Harris Electric Vehicle Charging Action Plan, <a href="https://www.whitehouse.gov/briefing-room/statements-releases/2021/12/13/fact-sheet-the-biden-harris-electric-vehicle-charging-action-plan/">https://www.whitehouse.gov/briefing-room/statements-releases/2021/12/13/fact-sheet-the-biden-harris-electric-vehicle-charging-action-plan/</a>.